

**REGULAR STATE CREDIT UNION BOARD MEETING  
HELD BY CONFERENCE CALL  
OFFICE OF THE COMMISSIONER  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
2000 SCHAFER STREET, SUITE G  
BISMARCK, NORTH DAKOTA**

**June 19, 2008**

The regular meeting of the State Credit Union Board was called to order by Acting Chairman Entringer in the Office of the Commissioner, Department of Financial Institutions, 2000 Schafer Street, Suite G, Bismarck, North Dakota, at 1:30 p.m., Thursday, June 19, 2008.

MEMBERS PRESENT:    Robert J. Entringer, Acting Chairman (*Office*)  
                             Paul Brucker, Member (*Mandan*)  
                             Melanie Stillwell, Member (*Williston*)  
                             Steve Tonneson, Member (*Minot*)  
                             Darlene Watne, Member (*Minot*)

MEMBER ABSENT:     Timothy J. Karsky, Chairman

ALSO PRESENT:        Jim Laidlaw, Chief Examiner – Credit Unions (*Office*)  
                             Corey Krebs, Financial Institutions Examiner (*Office*)  
                             Todd Van Orman, Financial Institutions Examiner (*Office*)

**APPROVAL OF MINUTES**

Acting Chairman Entringer noted that normally the minutes are approved via mail in advance of the meeting; however, due to the delay in getting the minutes completed they were sent out for approval at this meeting.

**It was moved by Member Watne, seconded by Member Stillwell, and unanimously carried to approve the minutes of March 14, 2008, as presented.**

## **ARTICLES OF AMENDMENT TO THE BYLAWS – CAPITAL CREDIT UNION, BISMARCK**

Acting Chairman Entringer explained that Capital Credit Union does have a range for the Board of Directors of no fewer than 5 and no more than 9, and the amendment will allow the Board of Directors to choose the number of directors to be elected within that range of 5 to 9. In addition the amendment removes the staggered term; however, the directors would still serve for three years.

Member Brucker inquired as to whether this is legal, and Acting Chairman Entringer indicated this was looked at and found no reason to consider it illegal.

Member Tonneson indicated he did not have a problem with this; however, questioned whether it was usual for the Board of Directors to determine the size of the Board for the credit union. Acting Chairman Entringer indicated the Department staff also struggled with this issue but could not find any reason to disallow Capital Credit Union from amending its bylaws to provide the directors to set the number of directors to be elected.

Member Stillwell inquired as to whether Capital Credit Union's bylaws provide that the Board can make amendments to the bylaws. Acting Chairman Entringer indicated that was correct.

Acting Chairman Entringer indicated the amendment includes a reservation for one member from the Hazen trade area, as had been indicated when the merger with Knife River Credit Union, Hazen, had been approved.

**It was moved by Member Tonneson and seconded by Member Watne to approve the Articles of Amendment to the Bylaws of Capital Credit Union. The motion was unanimously carried.**

## **PORTLAND CREDIT UNION, PORTLAND – REQUEST FOR A LENDING LIMITATION WAIVER**

Acting Chairman Entringer noted the NCUA had approved a member business loan limitation waiver for Portland Credit Union to include an additional 10 percent of net worth for agricultural operating purposes only.

Chief Examiner Laidlaw pointed out that the Department and State Credit Union Board does not need to act on this because a member business loan rule already exists that allows an additional 10 percent of net worth for ag operating purposes. Chief Examiner Laidlaw indicated that originally Portland Credit Union had requested an increase in its member business loan limit from \$100,000 to \$200,000, and NCUA denied that requested by letter dated March 20, 2008. Chief Examiner Laidlaw indicated it was his understanding the credit union amended its request to the additional 10 percent of net worth for agricultural operating purposes, and that is what NCUA approved on May 2, 2008.

## **EQUITY PAYOUT ON MERGERS**

Acting Chairman Entringer indicated he had made a commitment to Member Brucker to place this item on the agenda. When the State Credit Union Board approved the merger of Knife River Credit Union, Hazen, into Capital Credit Union, Bismarck, one of the provisions of the Order was that the Knife River Credit Union Board of Directors would submit a detailed report to the State Credit Union Board and the Department detailing the methodology and how the Board of Directors of Knife River Credit Union derived the amounts of the equity payout.

Acting Chairman Entringer indicated the report received from the Knife River Credit Union noted the Board of Directors had voted to distribute the \$260,000 of equity to various entities within the Hazen/Beulah communities. Once the report was received Acting Chairman Entringer provided a copy of the report to Member Brucker for his review, and Member Brucker asked several questions as to whether or not any money was paid out to members, when the money was distributed or to be distributed, how the groups were selected and whether they were 501(c)(3) nonprofit organizations, and how much money was transferred to Capital Credit Union.

Acting Chairman Entringer indicated he called Manager Char Ost to review the questions with her, and her response was that none of the money was distributed to the members because the Board struggled with the issue of fairness and discussed various scenarios. The Board apparently could not arrive at a member distribution they felt was fair to all members, past and present. The Board then decided if it gave donations to the entities/organizations in Hazen/Beulah all of the members would benefit.

Manager Ost indicated except for two entities all the money had been distributed on various dates. Manager Ost stated the manner in which the groups were selected was the Board Chairman asked each Board member to come to the next meeting with the name of a group or entity they would like to see receive a donation. Manager Ost indicated she was not sure if all the selected groups were non-profit organizations. Manager Ost indicated the amount transferred to Capital Credit Union was \$414,700.

Member Brucker indicated he still had concerns even though this is the credit union's and members' money and it is certainly theirs to do with how they see fit; however, it bothers him that the application was brought to the Board and the first time the equity payout was mentioned was when Member Brucker asked the question at the State Credit Union Board meeting. Member Brucker indicated in future requests, he feels this should be brought up in the application as to what is going to be done and how it is going to be done. Member Brucker stated with this application there are new issues in that the Board of Directors decided to donate money to entities within the communities and questioned whether the Board should have some oversight responsibility for distribution of monies to non-member organizations that may or may not be charities.

Member Stillwell indicated she struggles with this also because she thought it was going to be equity payouts to the members, and continued that the Board brought its ideas and questioned how many members might have had other ideas. Member Stillwell wondered if at some time in the future it would come back to the State Credit Union Board as to whether these entities are even member organizations and how can the Board of Directors decide who to donate this money to when it is the members that own the credit union.

Member Brucker indicated it was not that long ago that the State Credit Union Board faced this equity payout issue and it started out with paying out some of the equity, then all of the equity, and now some entities are being picked and giving the equity away. Member Brucker stated he is struggling with how this was handled and if we need to have legal counsel take a look at this, adding it is an uncomfortable situation.

Member Tonneson indicated it was an interesting concept to give the equity to entities within the community rather than the members. Acting Chairman Entringer indicated if he recalls his conversation with Manager Ost correctly, the Board struggled with the issue of paying the equity out to members because of the fact that there are members who may have passed away or have moved out of the

area and no longer active in the credit union. Acting Chairman Entringer indicated if the Board of Directors sets a date in the past for the payout so that no insiders benefit, you should be able to arrive at a way to distribute the equity fairly; for example, basing the equity payout on your share balance times the number of years you have been a member. Acting Chairman Entringer continued the members need to understand if they leave the credit union they are walking away from their share of the equity.

Acting Chairman Entringer continued that he agreed with Member Brucker that the equity payout needs to be part of the application process, and that the question needs to be asked so when it comes before the State Credit Union Board, the Board already knows what the credit union has decided. Acting Chairman Entringer suggested we began asking for a copy of the merger agreement to ascertain whether there is an agreement as to equity payout.

Chief Examiner Laidlaw indicated he has reviewed the North Dakota Century Code and cannot see anything where it gives the State Credit Union Board or Commissioner the authority to determine how dividends are paid out, so this rests solely with the Board of Directors of the credit union.

Member Tonneson continued that the North Dakota Century Code does not give us the responsibility as the State Credit Union Board either, and Chief Examiner Laidlaw indicated that was correct.

Member Brucker asked if there was any reason we could not ask for this in the review process, and Chief Examiner Laidlaw indicated there is nothing in the North Dakota Administrative Code that gives you the ability to take a look at the dividends paid out as part of the review process of a merger.

Acting Chairman Entringer suggested the North Dakota Administrative Code be amended to put in a catch all requirement, for example, such other information as is deemed necessary by the Commissioner or State Credit Union Board.

Member Brucker stated we should not be meddling in other peoples business, adding that there should be an eye watching this to make sure there is not something that will surprise us down the road which may be incorrect or improper.

Chief Examiner Laidlaw suggested it could be a violation of law because a credit union has to pay dividends to members and if those entities are not members,

the Board of Directors may have violated Section 6-06-26 of the North Dakota Century Code. Member Brucker pointed out we do not even have enough information to determine this.

Member Watne suggested this is something our legal counsel should look at and get a written opinion so the State Credit Union Board is protected.

Acting Chairman Entringer stated he does not think there is any recourse to the State Credit Union Board, and Chief Examiner Laidlaw added there may be to the credit union's Board of Directors if it violated the law by paying dividends to non-members and they would have to be responsible to the members for reimbursing that amount of dividend.

Member Tonneson stated it makes sense to look at this in the application process, rather than after the fact. Chief Examiner Laidlaw indicated he did ask the question at the March meeting as to what the amount of payout would be and Manager Ost had indicated at that point they did not know. Chief Examiner Laidlaw indicated at that time the State Credit Union Board possibly should have tabled the application until the credit union knew what the equity payout would be.

Acting Chairman Entringer suggested we could start asking for the merger agreement or asking if there is an equity payout in advance so at least the State Credit Union Board has that information before taking action on the application. Acting Chairman Entringer stated he would suggest this to Commissioner Karsky and proceed from there. Acting Chairman Entringer also indicated we would have Assistant Attorney General Webb look at the issue as Member Watne requested, and bring that information back to the Board to see what can be done.

## **APPROVAL OF 2008 ANNUAL ASSESSMENT POLICY FOR STATE-CHARTERED CREDIT UNIONS**

Acting Chairman Entringer reviewed the Memorandum dated June 2, 2008, from Joan Becker, Director of Administration, regarding the 2008 credit union assessments. The Memorandum indicates that total revenues for the period ending June 30, 2008, are projected to be \$392,480 and expenses of \$340,050, resulting in a projected carryover of \$52,430. The second column which should read June 30, 2009, shows total revenue of \$391,952 which includes \$333,322 in assessments and projected expenses of \$354,697, for a total carryover projected to be \$37,255 as of June 30, 2009. Acting Chairman Entringer indicated the assessment schedule

is not being increased, adding that the projected assessments is based on March 31, 2008, numbers; however, the assessment is calculated using June 30, 2008, total assets.

Member Watne asked why under the application fee category the Department does not project any fees for the period ending June 30, 2009. Acting Chairman Entringer indicated we generally try to be conservative and not budget for application fees because it is too hard to predict what types of fees or applications will be submitted.

**It was moved by Member Watne, seconded by Member Tonneson, and unanimously carried to approve the 2008-2009 Annual Assessment Policy for state-chartered credit unions.**

#### **FINAL APPROVAL FOR CHANGES TO NORTH DAKOTA ADMINISTRATIVE CODE SECTIONS 13-03-02-03 AND 13-03-16-05**

Acting Chairman Entringer explained that the Department received the letter from the Attorney General's Office indicating they had reviewed the proposed amendments to the North Dakota Administrative Code and found everything to be in compliance with Chapter 28-32 of the North Dakota Century Code and are approved as to their legality. The Attorney General's letter states upon final adoption the rules may be filed with the Legislative Council.

**It was moved by Member Brucker, seconded by Member Tonneson, and unanimously approved that the amendments to the North Dakota Administrative Code be adopted as final.**

Member Tonneson asked what the final step was and Acting Chairman Entringer indicated once the changes were submitted to Legislative Council the Department will have to appear before the Interim Legislative Committee, at which point the Legislative Committee could make changes; if the Committee approves the amendments they will be effective October 1, 2008.

## **TOWN AND COUNTRY CREDIT UNION, MINOT, REQUEST FOR ADDITIONAL CUSO ACTIVITIES**

Darrell Olson, President of Town and Country Credit Union, Minot, was added to the conference call at 2:00 p.m.

Acting Chairman Entringer reviewed his Memorandum which recapped that the State Credit Union Board, at its March meeting, acted on a request from Town and Country Credit Union to expand the activities of its CUSO, and there was considerable discussion related to Department staff concerns regarding the requested appraisal activity and whether the appraiser would meet the definition of independent if the credit union hired them to conduct appraisals for credit union borrowers. Acting Chairman Entringer indicated at the March meeting the State Credit Union Board had approved the real estate brokerage and farm management activities for Town and Country Credit Union's CUSO, but directed staff to contact NCUA and get its input on the appraisal independence issue.

Acting Chairman Entringer indicated attached to his Memorandum is the letter written by him as well as a final email received from the staff attorney for NCUA regarding the appraisal independence. Acting Chairman Entringer indicated he had also spoke with Shelia Albin, Associate General Counsel of NCUA on April 23, 2008, to clarify NCUA's position. Acting Chairman Entringer indicated essentially NCUA is saying that they would likely not approve the appraisal activity for the CUSO primarily because of the independence issue. NCUA also indicated they would not approve the activity because of the way the North Dakota Administrative Code is written requiring NCUA approval for any activity not specifically enumerated in the rule, and performing real estate appraisals is not one of the enumerated activities. Finally, Acting Chairman Entringer had asked Associate General Counsel Albin if NCUA would approve the appraisal activity for the CUSO if the credit union agreed not to use the services of the appraiser, and Ms. Albin indicated in an email that NCUA would not approve such a request.

Acting Chairman Entringer asked Examiner Corey Krebs to review information he had researched regarding this issue. Examiner Krebs indicated he found some frequently asked question guidance issued by the Federal Financial Institutions Examination Council which addressed this issue. In particular the guidance stated that when ordering appraisals can a staff appraiser or an appraisal company affiliated with the regulated institution be considered independent, since the regulated institution compensates them? The answer was yes, if a staff

appraiser prepares an appraisal, that appraiser must be independent of the lending, investment, and collection functions and not involved in the approval of the transaction. The response continued that when fee appraisers from an affiliated appraisal company prepared appraisals, similar independence standards apply. In addition, Examiner Krebs indicated because the NCUA was using the North Dakota Administrative Code rule to effectively deny the additional activity for Town and Country Credit Union's CUSO that one option would be to amend the administrative rule to take NCUA's approval authority out of the equation. Additionally, one of the other activities the credit union had asked for was farm management which could be construed to be a trust power and trust powers are within the list of approved activities for a CUSO; therefore, if the CUSO applied for trust powers or a trust charter from the Department and was approved they could then conduct farm management services through the use of trust powers. Examiner Krebs concluded that all of this would have to be reviewed by legal counsel to make sure they agree.

President Olson stated that he would certainly like to pursue that if possible and reiterated the fact that it is very difficult to get an appraiser to conduct farm appraisals at the present time in the Minot area. President Olson also indicated what they are looking at is an established business that has all three activities in place (real estate, farm management, and appraisals), and the CUSO has been in conversations with them about purchasing the business. President Olson indicated if they cannot do any one of the three, he was not sure they could put the deal together, adding that he would like to keep pursuing this if it is something that everyone on the State Credit Union Board can live with.

Member Brucker asked if the credit union could get the appraisal activity approved, he still could not have those appraisers conduct appraisals for the credit union. President Olson indicated he would be willing to agree with that, but added that as Examiner Krebs had indicated, it looks like it is probably something the credit union could do based on the FAQ from March 2005. President Olson reiterated that NCUA regulations allow a staff appraiser to perform an appraisal as long as they are independent of the transaction. President Olson continued that he thought it was unusual that NCUA regulations allow a staff appraiser to perform an appraisal but yet a certified appraiser would not be considered independent even if they are employed by the CUSO; if the appraiser is employed by the CUSO it would seem to remove them even further than a staff appraiser. President Olson added that he would be willing to agree to not allow the appraisers employed by the CUSO to perform certified appraisals for the credit union if it were necessary.

Member Brucker indicated he thought in one of the responses from NCUA they had indicated that under no circumstances could a CUSO employed appraiser appraise a property for the credit union.

Acting Chairman Entringer added although that is what NCUA's response was, Examiner Krebs' research found the frequently asked question guidance which seems to contradict what NCUA states in that the FAQ guidance says that an affiliated company may perform appraisals for an affiliate if they remain independent of the lending, investment, and collection functions of the loan transaction.

President Olson reiterated that he would be willing to agree to not have the certified appraisers conduct appraisals for the credit union, but that it did seem that the guidance that Examiner Krebs found seemed to indicate that they could do this if properly structured for the independence aspect. President Olson continued that the credit union has a list of appraisers and two of them at least typically when contacted will tell them they do not want to do the appraisal because they are two to three months behind and that they have one appraiser that can generally get them an appraisal within approximately three weeks, but added that this issue seems to be getting worse in the Minot area.

Member Tonneson asked Examiner Krebs who would determine whether the transaction is properly structured to maintain the independence, and Examiner Krebs indicated that is probably a judgment call.

Member Watne asked if every loan secured by farmland had to receive a certified appraisal and Acting Chairman Entringer indicated if the loan amount exceeds \$250,000 it does have to be certified.

Acting Chairman Entringer indicated the question is whether the State Credit Union Board would like to go through the rulemaking process to take NCUA approval authority with regard to CUSO activities out of the process.

Member Tonneson asked if this amendment would benefit other credit unions, and Acting Chairman Entringer indicated if it is not an activity listed as approved then it could benefit another credit union that has a CUSO that would like to add an activity that is not specifically permitted and the State Credit Union Board feels that it should be allowed, then the credit union would not have to pursue NCUA concurrence.

Member Brucker asked if we needed an opinion as to whether or not this was legal, and Acting Chairman Entringer indicated that was certainly something we could get. Member Brucker continued that we would probably want to do a cost assessment first. Acting Chairman Entringer indicated the publication costs for the recent amendment to the North Dakota Administrative Code was \$1,800. Member Brucker indicated he felt the State Credit Union Board would have to make an assessment as to whether this would benefit other credit unions and if not, then Town and Country Credit Union would have to pay the \$1,800. Acting Chairman Entringer indicated that the Department or State Credit Union Board do not have the authority to charge the credit union for that publication fee.

Member Tonneson asked Member Stillwell what her thoughts were since her credit union has a CUSO. Member Stillwell indicated she could certainly see it benefiting a credit union that owns a CUSO that would like to add an activity that it not specifically identified; however, the benefit to credit unions that do not own CUSOs would not be there, adding that she is not sure how many credit unions in the State actually own CUSOs. Member Stillwell continued that there are so many services we cannot foresee at this point in time; adding that NCUA would probably err on the conservative side as to what they would allow you to do.

Member Tonneson asked if we would go through this process and approve an activity, was there any way that NCUA could then come in and somehow back-door the issue and say that you really cannot do this activity.

Chief Examiner Laidlaw stated he felt research should be done on the original drafting of the CUSO rule because he thought it might have been based on NCUA's blessing; adding that if we would go through this process he suspects that NCUA would object based on other experiences with other CUSOs and the appraisals as far as business loans.

Member Brucker indicated he is open to look at this and if it benefits everyone we should certainly take a look at it.

Member Tonneson added that he also was in favor of exploring this; however, did not want to go through the process if there is some way that NCUA can overrule what action we take.

Acting Chairman Entringer suggested a meeting be arranged with NCUA's legal staff, President Olson, and the Department and its legal staff to discuss this issue and come to some sort of arrangement.

President Olson asked about the farm management services and that based on the discussion it appeared he would need trust powers for those activities. Acting Chairman Entringer indicated that the process would be that the credit union would have to ask the State Credit Union Board for permission to act as trustee/guardian/conservator/estate administrator or in any other fiduciary capacity, and then he would have to go to the State Banking Board which has the power to charter independent trust companies, which is what the CUSO would need to be qualified as.

President Olson asked if he could request the State Credit Union Board act on this today, and Acting Chairman Entringer indicated it should be a request made in writing to the State Credit Union Board.

Member Watne also indicated she would like to have legal counsel determine that if the request comes in that we have the authority to approve that trust power.

President Olson left the conference call at 2:20 p.m.

## **MEMBER BUSINESS LENDING RULE**

Tim Brown, President of Dakota Plains Credit Union, Edgeley, joined the conference call at 2:25 p.m.

Acting Chairman Entringer indicated President Brown joined the call since he has been speaking to Commissioner Karsky about the Department's member business lending rule.

President Brown indicated with the rising cost of farm input expenses loan limits become an issue based on the current definition; participating loans takes all of the income away from the loan due to the rate environment. When looking at the state member business loan regulation it specifically talks about loan limits for agricultural loans differently than the way NCUA does. President Brown indicated the state rule gives the credit union 15% of net worth plus an additional 10% for seasonal advances associated with operating purposes for the production of farm products, which is very specific for an agricultural state. President Brown indicated when you go to NCUA's regulations this is where the value of a state charter and for North Dakota credit unions especially in their situation it certainly should start adding a value. Part 723 of NCUA's Rules and Regulations

specifically addresses member business lending and when you look at the definition of a member business loan they do not distinguish agricultural lending from any other commercial lending, so when you read through their regulations they are referring to all types of business lending. NCUA's regulation simply allows the credit union to loan 15% of net worth to one borrower. President Brown pointed out that Part 723.2 states "How can a state supervisory authority develop and enforce a member business loan regulation?" The regulation states that the NCUA Board may exempt federally-insured state-chartered credit unions in a given state from the NCUA's member business loan rule if NCUA approves the state's rule for its use for state-chartered federally-insured credit unions. For state supervisory authority to receive NCUA approval, they must submit its rule to the NCUA Regional Office which forwards it through for final approval. President Brown continued that because of the hits being taken in the commercial loan area throughout the nation it seems to make sense to ask NCUA to approve our member business loan rule based on the fact that increased operating costs for farmers result in these participation issues and the agricultural sector is being impacted in the current issues with commercial lending.

Acting Chairman Entringer indicated he would try to give the State Credit Union Board some history regarding our member business loan rule. After the rule was adopted by the State Credit Union Board the Department did submit the rule to NCUA for approval and ultimately we were turned down. Acting Chairman Entringer continued from what he understood the reason for denying our member business loan rule had to do with the extra 10% for ag operating purposes.

Chief Examiner Laidlaw indicated that was in the past and the whole economics of the situation has changed, adding that he feels NCUA would probably understand if it were presented to them properly that the farmers need the additional money if they are going to produce a crop.

President Brown added that he concurs with Chief Examiner Laidlaw in that it has to be presented properly, pointing out what a great job the State does in regulating the North Dakota agricultural credit unions.

Chief Examiner Laidlaw added we also need to point out what a great job the credit unions do in making agricultural loans.

Chief Examiner Laidlaw indicated it would be worth our while to sit down with the powers that be at NCUA and bring NASCUS into the discussion to see what it would take to get our rule approved; adding it was his understanding there

are probably only four states in the nation that have gotten NCUA approval for their member business loan rule.

President Brown added that rather than having individual credit unions go to NCUA to get their permission for this extra 10%, why not get the rule approved so that every agricultural credit union has this authority.

Examiner Krebs indicated you may need to tweak the North Dakota Century Code before seeking NCUA approval to bring some of the items current. Examiner Krebs specifically indicated that the Section on the allowance account conflicts with another Section of the North Dakota Administrative Code.

The State Credit Union Board directed Department staff to arrange a meeting with NCUA Regional staff to discuss what needed to be done to get our member business rule approved by the NCUA Board.

President Brown left the conference call at 2:25 p.m.

## **MID AMERICA CREDIT UNION ASSOCIATION**

Member Tonneson asked about a request from the Mid America Credit Union Association Governmental Affairs Committee regarding the use of the word “bank” and asked if the Department had taken a position on that request.

Acting Chairman Entringer indicated the letter was being reviewed by Assistant Attorney General Webb and a response would be given after his review.

The Board went into closed session at 2:28 p.m., and returned to the open session at 2:50 p.m.

## **JIM LAIDLAW – RETIREMENT**

It was moved by Member Watne, seconded by Member Stillwell, and unanimously carried that the following Resolution be approved:



**REGULAR STATE CREDIT UNION BOARD MEETING  
HELD IN THE OFFICE OF THE COMMISSIONER  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
2000 SCHAFER STREET, SUITE G  
BISMARCK, NORTH DAKOTA**

**RESOLUTION**

**WHEREAS, James Laidlaw** has been continuously employed by the Department of Financial Institutions since August 1977, having first served as Examiner, and Chief Examiner – Credit Unions since July 1982,

**WHEREAS, James Laidlaw** has diligently carried out his duties and responsibilities to the Office of the Department of Financial Institutions and the general population of the State of North Dakota,

**WHEREAS, James Laidlaw** has been a valued and dedicated State employee in helping maintain the stability of the North Dakota Department of Financial Institutions,

**NOW, THEREFORE, BE IT RESOLVED** that James Laidlaw be duly recognized by the State Credit Union Board for his years of unselfish dedication and service to the State of North Dakota and its state-chartered credit unions; that Jim leave his employment with this Board's best wishes; good health; and a long, happy, and rewarding retirement.

Dated this 19<sup>th</sup> day of June, 2008.

**STATE CREDIT UNION BOARD**

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Timothy J. Karsky, Chairman

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Steven Tonneson, Member

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Paul Brucker, Member

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Darlene Watne, Member

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Melanie Stillwell, Member

The meeting adjourned at 2:58 p.m.

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Robert J. Entringer, Acting Chairman

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Robert J. Entringer, Secretary